IDAHO REAL ESTATE COMMISSION MEETING MINUTES

August 13, 2008

Pursuant to notice given, the meeting of the Idaho Real Estate Commission (Commission) was held at The Lewis Clark Plaza, 111 Main Street, Lewiston, Idaho, on Wednesday, August 13, 2008 at 8:30 a.m.

Commission Members Present:

Members Absent:

Andy Enrico, Chair, Boise Kelly Fisher, Vice Chair, Pocatello Pam Trees, Member, Lewiston Marvis Brice, Member, Burley Comprising a quorum of the Commission

Staff Present:

Jeanne Jackson-Heim, Executive Director Craig Boyack, Chief Investigator Tammy Anderson, Administrative Assistant Neal Bernklau, Licensing Supervisor Mandy Frary, Education Director

Others Present:

Kim Coster, Commission Legal Counsel See attached list

Meeting was called to order at 8:31 a.m. by Commission Chair, Andy Enrico.

Introductions:

- a. Commissioners
- b. Staff

Approval of Meeting Minutes: Motion was made by Marvis Brice to approve the July 16, 2008 Joint Commission/Council Workshop meeting minutes and the July 17, 2008 Commission meeting minutes. Motion carried.

Approval of Agenda: Motion was made by Marvis Brice to approve the August 13, 2008 agenda. Motion carried.

Financial Reports: Motion was made by Marvis Brice to approve the July 2008, Financial Reports. Motion carried.

Salesperson and Broker Licenses Issued: Members reviewed the salesperson and broker licenses issued during the month of July 2008, a copy of which has been made part of these minutes. Motion was made by Kelly Fisher to approve the report. Motion carried.

License Examination Statistics:

Commissioners reviewed the license exam statistics report.

Staff Reports:

The following reports were presented for members' review; copies of which are on file at the Commission office:

- Complaint Summary Report
- Audit Summary Report
- Enforcement Telephone Activity Log
- Education Funds
- FY08-FY09 Analysis of Active & Inactive License Base
- On-Line Renewal Report
- Information and Technology Reports

Online Lottery Drawing: Renee Page (SP31146), from Re/Max Capital City, Boise, won the lottery drawing for August 13, 2008.

Idaho Association of REALTORS®: Shelly Miles, IAR® North District Vice President, announced the Idaho REALTOR® Business Conference will be held this September 10-13, 2008 in Portland, Oregon. IAR® recently embarked on a media campaign to encourage consumers to utilize REALTORS® and has formed a new Ethics committee to review complaints prior to sending them before the Professional Standards committee. Overall IAR® complaints are down. It seems the national required ethics training is having some effect. IAR® is also working on streamlining the boards by having one member for every 400 agents compared to the one member for every 200 agents IAR® has now. IAR® is offering a free Core class in Clarkston on September 8, 2008.

Executive Director's Report:

Draft Broker Bulletin: Jeanne Jackson-Heim presented a draft broker bulletin. Discussion followed. Motion was made by Pam Trees to approve broker bulletin as presented. Motion carried.

Draft Guidelines for Use of CP Fine Money: Jeanne presented a draft of the Guidelines for CP Fine Money. Education Council members recommended a few changes to Draft Guidelines and those changes are reflected in the handout presented. Discussion followed. Motion was made by Pam Trees to approve Guidelines as presented to be effective September 1, 2008. Motion carried.

Update on ARELLO Time Share Registry: Since the approval of the Commissioners IREC has joined the ARELLO Time Share Registry (ATR) and Joe McClary came out and trained IREC staff to use the ATR system.

Possible Changes next year to Subdivided Lands Act: Craig Boyack stated that currently IREC has codes that were written in the 1980's. Any enforcement actions IREC might need on subdivided lands issues would have to go through the court system. It would be desirable to discuss possible updates to this law. Discussion followed.

Errors & Omissions update: Neal Bernklau state the E&O annual renewal date is fast approaching and the online RISC services are up and running. Renewal notices were mailed out on August 1, 2008; RISC is asking licensees to renew by September 1, 2008. Licensees have until October 1, 2008 to renew their E&O and E&O fines start on October 2, 2008. Discussion followed.

Education Council and Director's Report:

Update on Module 1 and Module 2: Revisions are nearly complete for both Mod 1 and Mod 2. Both Modules have been piloted and staff is reviewing the final exams. Modules should be launched by September 1, 2008.

Update on Education Database: Jeanne stated that staff has been working on the online Education Database and IREC should have this up and running within the next month. The Education search will enable licensees to search for a specific course, instructor or provider. Discussion followed.

Update on BCOO: Staff is reviewing the revisions suggested by the Subject Mater Experts (SME's) and will pilot the new BCOO in September.

Matters from Commissioners:

Update on Broker Task Force: Kelly Fisher has met with the Broker Task Force, first meeting was a phone conference that was held on July 21, 2008, second meeting was held on August 11, 2008. Issues that the Task Force discussed with IAR® included broker agency law, lot reservations, handling earnest money, legal descriptions on representation agreements and real estate teams not advertising what brokerage they are affiliated with. Discussion followed.

Enforcement:

Case of Staff vs. Anisa Lignell (Ex-Parte). This was tape-recorded and was presented by Chief Investigator, Craig Boyack. Ms. Lignell chose not to attend either in person or through counsel. In consideration of the facts and evidence presented, motion was made by Kelly Fisher to accept without exception the Stipulation agreed to by Anisa Lignell and, in accordance with its terms, to enter a "Final Order" as follows:

- 1.) That Anisa Lignell pay a civil fine in the amount of Three Thousand Dollars (\$3,000.00), which shall be due and payable as follows: The first payment of One Thousand Dollars (\$1,000.00) by August 20, 2008; the second One Thousand Dollars (\$1,000.00) by September 20, 2008; and the final One Thousand Dollars (\$1,000.00) by October 20, 2008.
- 2.) That Anisa Lignell shall pay the costs and attorney's fees in the amount of Three Hundred Dollars (\$300.00) by August 20, 2008.
- 3.) That Anisa Lignell agrees to execute a Promissory Note in the form attached to the Stipulation as Exhibit "A", setting forth Anisa Lignell's payment obligations as provided in the Stipulation. Further in the event that Ms. Lignell fails to make a payment as required by this Order on its due date, then the Executive Director, at his/her option, may declare all remaining unpaid sums due and payable and shall notify Ms. Lignell in writing of such action. Ms. Lignell consents to the filing of a legal action to enforce the remaining amounts due under the Stipulation and Promissory Note, and Ms. Lignell agrees to stipulate to a Judgment in such legal proceeding for all remaining amounts due the Idaho Real Estate Commission by Ms. Lignell. Any Failure to exercise said option shall not constitute a waiver of the right to exercise the same option at some other time.

Motion carried. A copy of the "Final Order" is attached hereto and made a part of these minutes.

Case of Staff vs. Lurae Stanger (Ex-Parte). This was tape-recorded and was presented by Chief Investigator, Craig Boyack. Ms. Stanger chose not to attend either in person or through counsel. In consideration of the facts and evidence presented, motion was made by Pam Trees to accept without exception the Stipulation agreed to by Lurae Stanger and, in accordance with its terms, to enter a "Final Order" as follows:

1.) That Lurae Stanger shall be issued a formal reprimand.

- 2.) That Lurae Stanger pay a civil fine in the amount of Two Thousand Five Hundred Dollars (\$2,500.00), which shall be due and payable as follows: The first payment of One Thousand Dollars (\$1,000.00) by August 20, 2008; the second payment of One Thousand Dollars (\$1,000.00), by September 20, 2008; and the final payment of Five Hundred Dollars (\$500.00) by October 20, 2008.
- 3.) In the event Lurae Stanger fails to fully comply with the Commission's Order relating to the timely payment of fines, fees or costs, or completion of education, the Commission has authorized Staff to suspend Mr. Stanger's Idaho real estate license upon notification by Staff sent to the most current address provided by Mr. Stanger to Staff.
- 4.) That Lurae Stanger successfully complete a live Risk Reduction course by no later than February 20, 2009.
- 5.) That Lurae Stanger shall pay the costs and attorney's fees in the amount of Three Hundred Dollars (\$300.00) by August 20, 2008.
- 6.) That in the event Lurae Stanger fails to make a payment as required by this Order on its due date, than all sums remaining unpaid shall at once become due and payable. Any failure to exercise said option shall not constitute a waiver of the right to exercise the same option at some other time.

Motion carried. A copy of the "Final Order" is attached hereto and made a part of these minutes.

Case of Staff vs. David J. Mudd (Ex-Parte). This was tape-recorded and was presented by Chief Investigator, Craig Boyack. Mr. Mudd chose not to attend either in person or through counsel. In consideration of the facts and evidence presented, motion was made by Marvis Brice to accept without exception the Stipulation agreed to by David J. Mudd and, in accordance with its terms, to enter a "Final Order" as follows:

1.) That David J. Mudd shall be issued a formal reprimand.

- 2.) That David J. Mudd pay a civil fine in the amount of Five Thousand Dollars (\$5,000.00), which shall be due and payable as follows: The First payment of One Thousand Dollars (\$1,000.00) by September 20, 2008; the second payment of Two Thousand Dollars (\$2,000.00) by October 20, 2008, and the final payment of Two Thousand Dollars (\$2,000.00) by November 20, 2008.
- 3.) In the event Daivd J. Mudd fails to fully comply with the Commission's Order relating to the timely payment of fines, fees or costs, or completion of education, the Commission has authorized Staff to suspend Mr. Mudd's salesperson's license upon notification by Staff sent to the most current address provided by Mr. Mudd to Staff.
- 4.) That David J. Mudd shall pay the cost and attorney's fees in the amount of Three Hundred Dollars (\$300.00) by September 20, 2008.
- 5.) That in the event David J. Mudd fails to make a payment as required by this order on its due date, than all sums remaining unpaid shall at once become due and payable. Any failure to exercise said option shall not constitute a waiver of the right to exercise the same option at some other time.

Motion carried. A copy of the "Final Order" is attached hereto and made a part of these minutes.

Executive Session: In accordance with section 67-2345(1)(d) and 9-340C(9), Idaho Code, a motion was made by Pam Trees to adjourn to executive session to review special request licensure files submitted pursuant to Section 54-2012(1) and 54-2022(6), Idaho Code. Motion carried. Members reviewed exempt records submitted by petitioners in support of the requests for special consideration.

Regular Session: There being no further purpose for an executive session, a motion was made by Kelly Fisher to adjourn the executive session. Motion carried.

Education Petition 08-094087 – Request for Special Consideration seeking Certification of Course Content as within the Topic Area Approved for Continuing Education Credit 54-2036: A motion was made by Pam Trees to deny the request to certify the course; however, the applicant should be encouraged to modify the course to more directly relate to the practice of real estate and to resubmit the application. If resubmitted to be real estate related within six months, there will be no further application fee. Motion carried.

Special Consideration #08-020 Exemption For Review 54-2012(1)(f). Following discussion and review of the documents submitted, motion was made by Kelly Fisher to grant request for exemption. Motion carried.

Special Consideration #08-021 Waive Licensing Requirements 54-2012. Following discussion and review of the documents submitted, motion was made by Pam Trees to deny request. Motion carried.

Special Consideration #08-022 Waive/Modify Broker Experience 54-2012(2)(a). Following discussion and review of the documents submitted, motion was made by Pam Trees to deny request. Motion carried.

Special Consideration #08-023 Waive/Modify Licensing Requirement 54-2012. Following discussion and review of the documents submitted, motion was made by Marvis Brice to deny request. Motion carried.

Special Consideration #08-024 Waive/Modify Licensing Requirement 54-2012. Following discussion and review of the documents submitted, motion was made by Kelly Fisher to deny request. Motion carried.

There being no further business, <u>motion was made by Andy Enrico to adjourn the meeting at 11:30 a.m. Motion carried.</u>

Respectfully Submitted,

Jeanne Jackson-Heim
Executive Director

JJH: tla

Attachments:

Licenses Issued July 2008

FY08-FY09 Analysis of Active & Inactive License Base

Online License Reports

Complaint Summary Report July 2008, Financial Reports

Information and Technology Reports

Minutes of the Idaho Real Estate Commission meeting in Lewiston, Idaho, on August 13, 2008, are hereby approved.

Andy Enrico, Chair

Kelly Fisher, Vice Chair

Pam Trees, Member

Marvis Brice, Member